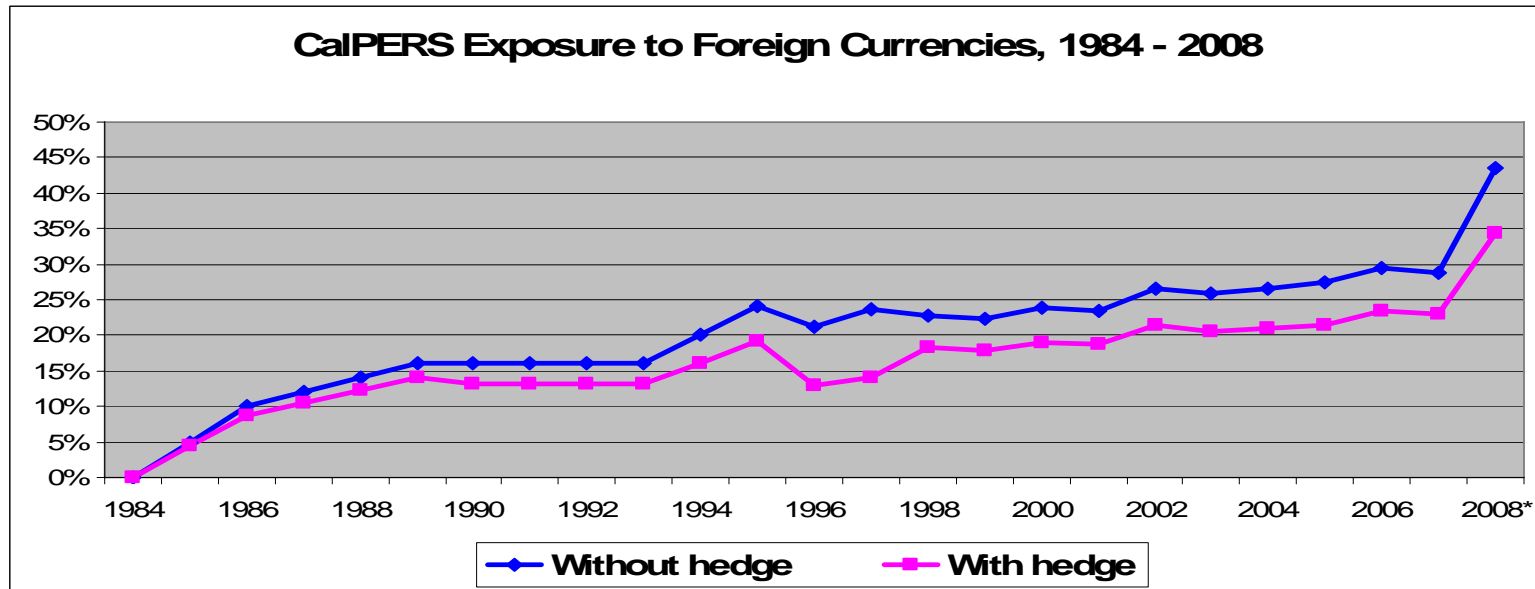


# CalPERS Exposure to Foreign Currencies



- CalPERS investment in non-U.S. dollar assets
  - has grown over time
  - is projected to be 44% when the asset allocation adopted December 2007 is implemented
- Owning non-U.S. assets creates exposure to foreign currencies (blue line)
- CalPERS hedges 15% of the foreign currency exposure to the U.S. dollar
- This hedge reduces CalPERS foreign currency exposure from the blue line to the pink line